
Final Report

***City of Cincinnati
Street Opening
Permit Fee Study***

March 2000

Prepared For

City of Cincinnati

Prepared By

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Final Report

City of Cincinnati Street Opening Permit Fee Study

I. Introduction

The City of Cincinnati has retained the firm of Pflum, Klausmeier & Gehrum Consultants, Inc. (PKG) to conduct and evaluate a survey of cities in the general population range of Cincinnati to obtain information on their practices, procedures and fee structures with respect to utility cuts and excavations within public streets, compare those practices and fees with those of Cincinnati and to make recommendations as to possible improvements in the Cincinnati permit fee structures and/or rates.

The city street system represents one of the largest investments of any municipality. Road surface is a key component and proper construction and maintenance are essential to continued function. A utility cut, an opening made in the pavement by a utility company or private contractor to repair existing utilities or to install new services, can cause premature deterioration of the cut repair and the pavement area beyond the cut, resulting in added repair cost. Although a number of studies have been conducted, there remain many uncertainties regarding the physical effects and true cost of utility cuts.

These studies include, although are not limited to the following:

1. *Impact of Utility Cuts on Performance of Street Pavements* by Bedocsi, Pant, Aktan, and Arudi, 1995 (sponsored by the City of Cincinnati and the American Public Works Association).
2. *Implementation Report* for above study, by Rajagopal Arudi, PhD.
3. *Pricing the Use of Right-of-Way in the City of Cincinnati*, by Dr. Arudi, 1999.

This report tabulated and analyzed the responses from some 20 cities to the survey questionnaire. Most of the cities responding also included supplemental material providing additional information on their practices and fee structures. This information was also compared with the procedures and fee structure of the City of Cincinnati.

The City of Cincinnati also requested that the survey questionnaire include questions concerning the other cities' practices and regulations regarding the installation and maintenance of privately owned communications conduit and transmission media, the responses to these questions were also tabulated and analyzed.

Part I of the reports is a Summary and Analysis of the responses to the survey from the 20 other cities.

Part II contains a Comparative Analysis of the City of Cincinnati utility cut permit structure, procedures, and fees with the Summary and Analyses of the comparable information from the other cities.

Part III presents conclusions, suggestions and recommendations concerning utility cut permits, procedures and fees for the City of Cincinnati.

Part IV presents a brief overview of the information received concerning permits or franchises for privately owned telecommunication companies' requests to use underground street space.

Part V summarized the Recommendations made in Parts I thru IV of the Report.

Part I Summary Report

Definition: Under the Cincinnati Municipal Code and for purposes of this survey, a street opening consists of any construction, maintenance, repair, replacement, or modification work which involves "opening" or breaching the surface of a roadway, driveway, sidewalk, other paved and/or unpaved area within the right-of-way of a public street.

Survey forms were sent to 49 communities. The 20 cities that responded to the questionnaire represented 5 areas of the Country.

East

Newark, NJ
Norfolk, VA
Virginia Beach, VA

South

Charlotte, NC
Nashville, TN
New Orleans, LA
Tampa, FL

Midwest

Columbus, OH
Indianapolis, IN
St. Louis, MO
St. Paul, MN
Toledo, OH

Midwest

Denver, CO
Oklahoma City, OK
Omaha, NE
Wichita, KS

Southwest

Albuquerque, NM
El Paso, TX
Phoenix, AZ
Tucson, AZ

Northwest

No Responses

All questionnaires were reviewed and summarized into specific numbers when possible. Some questions required multiple answers and ranges were given.

Comments were added to each question when appropriate.

A copy of the questionnaire is included in Appendix A to this report. Appendix B contains the names and addresses of the respondents.

Questionnaire:

1. Does your city require a contractor or other person or agency to obtain a city permit before performing any type of construction or maintenance work which involves a street opening? Yes - 20 No - 0
2. If yes, does your city require employees or contractors of recognized privately owned public utilities (electric, gas, water, sewers, telephone, etc.) to obtain such permits?

Publicly Owned?	Yes	17	No	3
Privately or Investor Owned? Yes	20	No	No	0

The three cities not requiring permits for public owned utilities are Norfolk, VA; Oklahoma City, OK; and Virginia Beach, VA.

Of the 17 requiring permits for public owned utilities, one (Indianapolis) does not require a permit if the work is in an unpaved area.

3. Are fees charged for such permits issued to:
- | | | | | |
|---|-----|----|----|---|
| Publicly Owned Utilities? | Yes | 13 | No | 7 |
| Private or Investor Owned Utilities? | Yes | 20 | No | 0 |
| Other Individuals, Companies, or Contractors? | Yes | 20 | No | 0 |

The seven (7) cities who do not charge fees for permits to public owned utilities are Charlotte, NC; Columbus, OH; El Paso, TX; Norfolk, VA; Oklahoma City, OK; Omaha, NE; and Virginia Beach, VA.

In some cities, the fee to private/investor owned utilities is contingent upon the existing franchise between the City and the Utility.

4. Are there any types of street openings for which no fee is charged? Yes 11 No 8

There were four different conditions where no fee was charged. They are as follows:

- A. Eight (8) indicated if city projects were involved. Of these, one (Newark, NJ) indicated the contract must be executed in house, one (Albuquerque, NM) also includes state-funded contracts, and two included any governmental agency.
- B. Toledo, OH does not charge if for storm, sanitary or water lines.
- C. Denver, CO does not charge if for street repair and for occupancy for utility maintenance.
- D. Tucson, AZ does not charge if it is a private individual repairing/replacing existing damaged curb, sidewalk or driveway.

The 11 cities who charge are: Albuquerque, NM; Columbus, OH; Denver, CO; Newark, NJ; Norfolk, VA; Oklahoma City, OK; Omaha, NE; St. Paul, MN; Toledo, OH; Tucson, AZ; and Wichita, KS.

5. Will you provide us with a copy of your Rules & Regulations and fee structure?

Thirteen of 20 cities submitted their Rules & Regulations and 18 submitted their fee structure. A summary of the fee structures is covered under Question 6.

Of the 13 who submitted their Rules & Regulations, all indicated General Liability Insurance is required to work in the public right-of-way.

- A. Bodily Injury, the insurance varied from \$20,000/\$50,000 to \$1 million/\$5 million.
- B. Property Damage varied from \$1,000/\$10,000 to \$1 million/\$5 million.
- C. Exemptions varied from: Net worth over \$10 million to City franchise/utilities; and City, State, County or other governmental agency.

Eighteen of the 20 cities stated either in their Rules and Regulations or their fee structure that a Performance/Restoration Bond or Letter of Credit is required.

- A. The Bond or Letter of Credit varied from \$1,000 to \$100,000. Exemptions were also granted and were the same as those indicated under General Liability Insurance.
 - B. The Bond set at \$16/SF of pavement to be affected.
 - C. The Bond set at cost of work to be done but not less than \$40,000.
 - D. One city (Charlotte, NC) makes all final restoration at the utility's expense but must have a franchise or right-of-way agreement with the City. Cost is indicated in fee structure. If excess settlement occurs, utility must come back to excavate and refill at own expense.
 - E. One city (Omaha, NE) makes final repairs unless the utility does at own expense per city specifications.
 - F. The typical length of the bond varied from one to three years except one (St. Paul, MN) is for 10 years or length of franchise.
6. Is your fee structure based on: (*Check more than one if appropriate*)
- 16 - a. Covering costs of processing?
 - 19 - b. Covering inspection costs?
 - 3 - c. Covering cost of correcting unsatisfactory work?
 - 7 - d. Anticipated cost of reduction in useful life of pavement?
 - 0 - e. None of the above (please explain briefly)? _____

See Table 1, Fee Structure, for breakdown of the fee structure used by the 20 cities. The fees charged by the various cities varied from flat charges to incremental charges. For this report, the fee structure was separated into six (6) categories. No city had a fee for all categories. Some cities indicated there were fees for some categories, but did not provide the fee information. Following is a summation of each category and the number of cities that provided information for each category. Fees were waived by some cities when work was done by a public or private utility or when a franchise fee was paid. Backfill inspection was included in some of the fees.

A. Excavation: 12 cities

- a. Flat Fee, \$25 to \$100.
- b. Basic Fee and/or incremental charge \$45 to \$500 Base Fee for a minimum of 3 SY to 200 LF with incremental charges varying from \$0.40 to \$0.70/SF, \$30 to \$150/SY and \$14 to \$80/LF per 100 LF or fraction thereof.
- c. One city, St. Paul has the fee set by Director to cover City and disruptive costs, cost of maintaining GIS system, and degradation. This fee also covers the restoration.
- d. Charlotte and El Paso do not charge for excavation. However, the contractor is responsible for compacting backfill and then pays the city who does the surface restoration.

- e. Boring or Tunneling--\$20 flat to \$110 for first 36 LF and 14 inch diameter plus \$5.50 for each foot over 36 LF plus \$7.70 for each inch over 14 inch diameter.

**TABLE 1
FEE STRUCTURE**

CITY	COST OF PROCESSING	COST OF INSPECTION	COST OF UNSATISFACTORY WORK	ANTICIPATED COST OF REDUCTION IN USEFUL LIFE OF PAVEMENT
Albuquerque	Y	Y		Y
Charlotte	Y	Y	Y	
Columbus	Y	Y		
Denver	Y	Y		Y
El Paso	Y	Y		
Indianapolis				Y
Nashville	Y	Y		Y
New Orleans	Y	Y		Y
Newark	Y	Y	Y	
Norfolk	Y	Y		
Oklahoma City	Y	Y		
Omaha	Y	Y		Y
Phoenix	Y	Y		
St. Louis		Y		
St. Paul	Y	Y		
Tampa	Y	Y		
Toledo		Y		
Tucson	Y	Y		
Virginia Beach		Y	Y	
Wichita	Y	Y		Y
Cincinnati	Y	Y	Y	Y
Total	17	20	4	8

B. Surface Restoration: 13 Cities

- a. Flat Fee \$25 to \$50.
- b. Flat fee and/or an incremental charge. \$1/SF to \$60/100 SY or fraction thereof; \$55 up to one square yard plus \$27.50 for each additional square yard; \$50 plus an estimated cost to repair by City plus a surcharge for degradation. Estimated fee to repair is returned upon final acceptance by City; \$50 flat fee for asphalt and \$150 for PC concrete plus \$1/LF for each additional linear foot over 50 LF and up to 12 ft. wide.
- c. Three cities, Charlotte, El Paso and Omaha make final restoration and charge contractor for work as follows:

Asphalt: Flat unit cost of \$36.02/SY for 2 inch to \$45.10/SY for 9 inch.

Declining unit cost of \$30/SY to \$12/SY for 2 inch; \$60/SY to \$50/SY for 8 inch and \$65/SY to \$55/SY for 14 inch.

Flat set plus incremental: \$278.15 to \$284.36 for first 16 SF plus \$9.06 to \$9.44 for all additional square feet over 16.

Concrete:

Flat unit cost of \$63.41 for 12" PCC.

Flat fee plus incremental. \$302.24 plus \$7.56/SF for all over 16 SF.

Brick:

\$310.02 plus \$9.92/SF for all above 16 SF.

d. Degradation

- Omaha adds square foot charge to surface restoration fee.
Less than 1 year old: \$1.55 concrete, \$0.80 asphalt, \$2.18 brick.
1 to 5 years old: \$0.80 concrete, \$0.50 asphalt, \$1.05 brick.
Over 5 years old: \$0.43 concrete, \$0.35 asphalt, \$0.49 brick.
- Charlotte makes final restoration and includes in their fees. Denver includes in their surface restoration fee.
- Columbus includes in their fee for excavation and surface restoration.
- Wichita has a surcharge based upon 5% of City's cost to repair area affected times the number of months remaining on 5 year no cut policy.
- Albuquerque charges \$3.15/SY of affected area if less than 5 years old.
- Nashville has a pavement assessment of \$500 plus 20% of cost to restore.

C. Curbs, Gutters, Sidewalks and Driveways.

a. By Contractor

- Flat Fee: \$6 to \$50.
- Curbs: \$0.25/LF to \$0.55/LF.
- Sidewalks and Driveways: \$0.60/SY to \$0.90/SY
- Inspector Fee: \$20 to \$40/Hr.

b. By City

- Curbs: \$14.34/LF to \$16.75/LF.
- Sidewalks and Driveways: \$170.90 plus \$3.48/SF for all over 16 SF to \$199.58 plus \$5.27/SF for all over 16 SF.

D. Lane Closures.

- a. No excavation: \$25 to \$30 flat; \$10 to \$21 per day.
- b. Excavation:
 - \$20/Wk to \$250/Wk depending on road classification.
 - \$16.61/Day up to 200' length or fraction thereof.
 - \$0.01/SF/Day with \$21 minimum.
 - Established by Director to cover city and disruptive cost.
 -

E. Inspection Fees

- Determined by Engineer when required or as required by city contract.
- \$20 to \$40 per hour after first one or two hours.
- \$30 to \$90 per hour is outside of normal working hours.
- For Lane Closures, \$10 for 4 through 10 days to \$50 over 46 days plus \$1/Day beyond 50 days.

F. Plan Review/Engineering Fees

- Included in permit fees.
- Private design of curb and gutter: \$425 for 1" 100 LF plus \$1/LF between 100 LF and 300 LF plus \$0.75/LF between 301 and 600 LF plus \$0.50/LF for all over 600 LF.
- Clerical and Administrative costs of \$54.85/cut
- \$405/24" x 36" sheet; \$180/8-1/2" x 11" sheets; \$90/Hr. for miscellaneous sheets with \$45 minimum, \$270/sheets for 3rd review corrections.

7. If item 6 d. above was checked, how was that portion of the fee structure determined?
- Research?
- 5 - Professional judgment?
 - 1 - Long-term records?
 - 1 - Other Did not state

8. Are you satisfied with your existing permit system for street openings, and with the fee structure now in use? Yes 12 No 8

A. Yes Comments

- Reasonably satisfied but lack adequate inspection, have little clout over requiring rework of failures, and have many unfranchised utilities working in right-of-way.
- Yes but considering concept of pavement degradation.

B. No Comments

- Two reviewing fee structure.
- Two indicated fees do not cover all costs.
- Need to address utility cuts in new pavement.
- Need to include pavement degradation.
- Need to increase one year defect guarantee to two years.

-
9. a. Does your city award franchises or licenses to public utilities, (including telecommunications companies) authorizing the installation of facilities in city streets? Yes 19 No 1
b. Are fees charged for the issuance of such franchises or licenses? Yes 18 No 2
c. Please provide a copy of a sample of an executed franchise or license agreement, if available.
Yes 8 Not Available 12

Only Indianapolis does not award franchises or licenses to public utilities for the installation of facilities in city streets.

Of the 19 cities who indicated franchises or licenses are issued, Charlotte does not charge a fee for the issuance of the franchise or license.

Of the 18 who charge fees, one indicated that while fees are charged, each agreement is unique to the utility and provided no backup information. Only eight (8) sent information on their fees. Although each identified fee for specific utilities, not all utilities were identified nor did they indicate if the fees were typical for all utilities. Following is a list of each of the 8 communities and associated fees for franchises and/or licenses. Gross revenue is for revenue within City limits.

1. Albuquerque
Telecommunications: \$2500 application fee and 3% of gross revenue.
License: 3 types
 - a. \$5600/Yr for site specific location for underground utilities.
 - b. Large utilities with limited infrastructure or to a one time utility installation such as private communication lines between building separated by City owned property are charged \$100 to \$500/Yr per street crossing. For utilities running parallel to the street, the fee is \$2.50/ft. per year.
 - c. For encroachments such as fences, parking lots, etc. on City right-of-way, the fee is \$0.50/SF per year.
2. Columbus for general right-of-way permittees:
0.75% of gross revenue for the prior calendar year or a mileage charge for length of utilities within right-of-way as follows:
\$10,000 up to 1 mile.
+\$7,500 for 1 to 10 miles.
+\$20,000 for 11 to 100 miles.
+\$62,500 for 101 to 500 miles.
+\$100,000 for all miles over 500.
3. Denver: For gas and electric, the fee is 3% of gross revenue less \$12.50/Mo for each customer.
4. Newark: Initial Fee of \$15,000 with an annual fee of \$5,000 plus \$2.50/L.F. of conduit. If the licensee installs less than 10,000 LF of conduit, the annual fee is \$15,000 flat or \$5,000 plus \$2.50/LF of conduit, whichever is greater.

5. Oklahoma City:
 - a. Gas: 2% of annual gross revenue less amount paid by City.
 - b. Electric: 3% of annual gross revenue less amount paid by City.
 - c. Cable: 5% of annual gross revenue.
 - d. Revocable communication cable permit: Initial fee of \$21/rod for each and every rod which occupy a portion of any ROW and \$2.10/rod per year thereafter.
6. Phoenix: Communication - \$5000 or 3% of gross revenue, whichever is greater.
7. St. Paul: 5% of gross with maximum amount not to exceed:
 - a. Cable can be increased any time to the maximum allowable by State and Federal laws with 90 days notice.
 - b. Electric, gas and telephone
 - \$15,000 from 1997 through 2000.
 - \$25,000 between 2001 and 2005 and beyond if franchise extended.
 - \$12,500 between 1/1/2006 and 6/1/2006 if franchise not extended.
8. Wichita: Gas: \$0.23/MCF delivered within City after allowances such as uncollectables are deducted.
- 10a. Does your city issue Street Use Permits for non-franchised, utility companies (including, telecommunications companies) for installation of facilities in city streets? Yes 15 No 5
- b. Are fees charged for such permits Yes 15 No 5

Following are the comments by various cities as well as fee structure when provided.

1. Albuquerque. Based on comparable lease rate for commercial property.
2. Charlotte. Cost of restoration performed by City as noted in Question 6.
3. Columbus. Fee based upon miles of utility in ROW or % of gross revenue. See Question 9.
4. Denver. By Rules & Regulations.
5. Indianapolis. Fees are determined by what is being blocked in the ROW.
6. Newark. Initial payment plus unit price per foot.
7. Oklahoma City. By revocable permit. See Question 9.
8. St. Louis. By formula.
9. St. Paul. \$1/Yr plus bond or as stated in specific ordinance.
10. Tucson. By lineal foot.
11. Virginia Beach. Cost of processing fee.
12. Wichita. By value of ROW.

-
- 11a. Does your city issue abutting property owners or businesses a Street Use Permit for installing telecommunications facilities or other utilities within city street? Yes 13 No 6
- b. Are fees charged for such permits? Yes 13 No 2
- c. Please provide a copy of such a permit, if available. Yes 8 Not Available 8

The fees vary from a flat annual fee per location to a fee per length per year.

The flat fees vary from \$100 to \$3700 per year as well as one with an initial fee of \$530 plus \$265 per location per year.

The variable fees are as follows:

- \$2/LF, minimum \$1000/yr.
- \$2.10/Rod per year
- \$0.25/LF, minimum of \$25/yr.
- \$1.25/LF for first 500 LF, plus \$0.15/LF for each additional foot.

12. Has your city considered seriously the feasibility of installing city-owned conduit banks within city streets, which could then be leased to private utility and/or telecommunications companies, or property owners so that their facilities could be installed at minimum cost and minimum damage to the street? Yes 4 No 16

If yes, can you provide us with any information on how this system works?

Yes 0 Not Available 4 Not Applicable 16

The four cities who indicated they considered this were Columbus, Indianapolis, Newark and Norfolk. The only comment was from Newark, which stated the program was not implemented.

13. Does your city require permits from utility companies or city agencies for the installation of wood or metal utility poles within the street right-of-way? Yes 12 No 8
14. If yes, are fees charged for such permits? Yes 10 No 2
15. Will you provide us with a copy of the Rules and Regulations and Fee structure for such permits? Yes 9 No 2
- Would you like to receive a copy of the final report on this study? Yes 19 No 1
- If we need clarification or more information on any of these questions, would you be willing to discuss them by telephone? Yes 18 No 0

Part II Comparative Analysis

Questionnaire

	Cincinnati	Survey
1. Does your city require a contractor or other persons or agency to obtain a city permit before performing any type of construction or maintenance work which involves a street opening?	Yes	Yes - 20
The City of Cincinnati issues two types of permits:		
1. Maintenance Permit for existing underground facilities.		
A. Normal maintenance not to exceed 30 days unless it occurs in winter months (Dec. 15 thru March 15).		
B. Fast-track maintenance for use by City agencies and private companies (utilities) regulated by the Public Utility Commission of Ohio. These are for emergency repairs and/or minor routine repairs and not to exceed 15 days in length. They are issued in advance in blocks of numbers to each city agency and each private utility.		
2. New construction.		
2. If yes, does your city require employees or contractors of recognized privately owned public utilities (electric, gas, water, sewer, etc.) to obtain such permits?	Yes	Yes - 17
Publicly Owned	Yes	Yes - 20
Privately or Investor Owned		
3. Are fees charged for such permits issued to:		
Publicly Owned Utilities	Yes	Yes - 13
Private or Investor Owned Utilities	Yes	Yes - 20
Other Individuals, Companies, or Contractors	Yes	Yes - 20
4. Are there any types of street openings for which no fee is charged?	Yes	Yes - 11
The City of Cincinnati does not charge for tree planting, stump removal and public works operation. These exceptions are comparable to nine of the eleven who do not charge.		
5. Will you provide us with a copy of your Rules and Regulations and fee structure?		
Rules and Regulations	Yes	Yes - 12
Fee Structure	Yes	Yes - 18
The City of Cincinnati Rules & Regulation did not indicate any public liability or property damage insurance required. However, a copy of an ordinance for a long distance communication company did require insurance of \$1 million personal injury per person and \$1 million for each occurrence involving property damage, plus costs of defense, or a combined single limit policy of \$5 million covering all claims, plus costs of defense.		See Part I for General Liability required by other cities.
The City of Cincinnati, as did 18 of the respondents, requires a deposit or security for payment for proper restoration of City property. There are 7 different variations of deposit or security for payment as follows. See question 6 for actual fees.		
Proper restoration of City property and/or payment of the cost thereof must be assured in one of the following ways:		See Part I for exemptions & performance bonds & letters of credit requirements.
A. The Applicant has made a cash deposit equal to the estimated charges for the permit at scheduled prices.		

Questionnaire	Cincinnati	Survey
B. The Applicant has opened a running account by making an initial deposit suitable to the City, to be replenished by the Applicant voluntarily or upon request by the City. No permit shall be issued under this provision unless there is an unencumbered amount in the applicants account sufficient to cover the estimated charges on the permit applied for.		
C. The Applicant is operating under a City of Cincinnati contract involving the opening of public ways, in which case he/she may obtain a Street Opening Permit without cash deposit, but all stipulated permit charges shall be paid upon completion of the contract work and prior to payment to the Contractor of the Final Estimate of Costs. In the case of large contracts involving long trenches, the City funding agency shall pay promptly any partial billing of restoration charges. The City reserves the right to withhold any or all restoration charges from any funds due the Contractor.		
D. The Applicant is a County, State or Federal Department whose functions require the installation and/or maintenance of underground facility. In such cases, the security deposit is waived provided a previous agreement to guarantee restoration is obtained and the nonrefundable portion of the deposit is made in cash.		
E. The Applicant is a corporation whose City-granted franchise empowers it to make its own paving restoration. Permits will be issued only when the restoration work keeps pace with the openings being made. Such corporations shall promptly pay all bills for inspection at scheduled rates and all bills for restoration done by City forces.		
F. The Applicant has deposited, with the City, cash or an acceptable guarantee in an amount sufficient to cover estimated restoration charges and has made a cash deposit sufficient to cover the cost of inspection, street opening fee and processing fee. Non-cash guarantees are acceptable for payment of the portion of the guarantee when it exceeds \$2,000.00. Such guarantee shall be specifically identified on the permit request.		
G. The Applicant has a "Street Contractor License" in accordance with Cincinnati Municipal Code 721-83 and pays the nonrefundable portion of the permit in cash.		
6. Is your fee based on:		
a. Covering costs of processing?	Yes	Yes - 16
b. Covering inspection costs?	Yes	Yes - 18
c. Covering cost of correcting unsatisfactory work?	No	Yes - 3
d. Anticipated cost of reduction in useful life of payment?	No*	Yes - 7
*Although not indicated in survey, the street restoration book indicated there are charges if cuts are made in pavement less than 3 years old.		

Questionnaire	Cincinnati	Survey
6. Continued Following is a comparison of the various fees included in the permit cost.		
A. Excavation Fee/Street Opening: Cincinnati plus 12 cities.	\$10.00 Ea permit + \$1.00/SY	Flat \$25 to \$100 to \$45 to \$500 plus \$3.60/SY to \$150/SY
B. Surface Restoration: Two different methods are used, one where Permittee makes final restoration (Cincinnati plus 13 cities) and one where City makes final restoration (Cincinnati plus 3 cities).		
a. Restoration by Permittee which is primarily an inspection fee.		
1. All Roadway Pavements See following Table for comparisons.	\$35 + \$3/SY for all over 2 SY	\$3.15 to \$9/SY or \$50 to \$55/SY + \$1 to \$27.50/SY over 2 SY or \$0.60/SY (\$180 min.) + \$90/hr after 3 Hrs.
2. Sidewalks & Driveways	\$35 + \$3/SY for all over 2 SY	\$6 to \$20 Flat or \$0.60 to \$0.90/SY or \$20 to \$40/Hr.
3. Curbs & gutters	\$35 + \$1.50/LF over 10 LF	\$0.25 to \$0.55/LF or \$20 to \$40/Hr.
4. Barricades	Time & material when furnished by Public Works Dept.	\$25 to \$30 flat or \$10 to \$21/Day or \$20 to \$250/week when excavation involved.
b. Restoration by City: 3 cities do all final restoration charges. Cincinnati does final restoration only when work is not completed within the time shown on the permit.		

1. Roadway Pavements	Sq.Yds.	Unit Cost	Total Cost	Total Cost
Portland Cement Concrete Pavement	4 or less 4.1 to 15 Over 15	\$800.00 \$100.00 \$ 75.00	\$800 \$800 to \$1900 \$1900 + \$75/SY over 15/SY	\$254 to \$452 \$254 to \$1200 \$951 + \$63.41 to \$1200+ \$68.04/SY over 15/SY
All block paved streets which are as determined by the City Engineer to be restored in kind, are treated as a special item. See Class Special for price.			Estimate	\$310 + \$9.92/SF for all over 16/SF
Asphalt pavement & Misc. others.	2 or less 2.1 to 12 Over 12	\$495.00 \$105.00 \$ 75.00	\$495 \$505.50 to \$1545 \$1545 + \$75/SY over 12/SY	\$119 to \$298 \$125 to \$1130 \$712 + \$59.33/SY to \$1130 + \$83.25/SY over 12/SY

Questionnaire			Cincinnati	Survey
	Sq. Yds.	Unit Cost	Total Cost	Total Cost
2. Sidewalks & Driveways				
Sidewalks, Concrete or Asphaltic Concrete	4 or less	\$800.00	\$800	\$240 to \$304
	4.1 to 15	\$100.00	\$810 to \$1900	\$243 to \$1016
	Over 15	\$ 75.00	\$1900 + \$75/SY over 15/SY	\$710+\$31.32/SY over 15/SY to \$1016+\$47.43/SY over 15/SY
Driveways, Concrete or Asphaltic Concrete	4 or less	\$800.00	Same as sidewalks	Same as sidewalks
	4.1 to 15	\$100.00		
	Over 15	\$ 75.00		
Decorative or ornamental sidewalks and Driveways are treated as a special item. See Class Special for price.				
3. Curbs, Gutters & Misc.				
Curbing, Concrete				
Minimum Charge		\$800.00		None
Concrete (10' or less)		\$20.00/l.f. addtl.		\$14.34
Concrete (Over 10')		\$15.00/l.f. addtl.		to \$16.75/LF
Curb & Gutter				
Minimum				\$365
All				\$38.80/LF
Curbing, Asphalt				
Minimum Charge		\$495.00		
Concrete (100' or less)		\$15.000/l.f. addtl.		Not stated
Concrete (Over 100')		\$10.00/l.f. addtl.		
Ditches (Improved or Unimproved)	4 or less	\$800.00		
Concrete Ditch	4.1 to 15	\$100.00		Not stated
	Over 15	\$ 75.00		
Asphalt Ditch	2 or less	\$495.00		
	2.1 to 12	\$105.00		
	Over 12	\$ 75.00		
Unimproved Ditch		\$525.00		
C. Other Charges				
SPECIAL INSPECTIONS				
Charges for special inspection, as required by the City Engineer for facilities constructed and associated activities, will be at the current hourly rate structure for the actual period worked. Cost depends on whether the inspector worked on regular or premium rate and if paid minimum all-out pay and fringe benefits. These charges may be in addition to the other regulated permit fees. The hourly rate structure includes the employee hourly rate, current fringe benefit and overhead costs.			\$20 to \$40/Hr.	
OVERTIME WORK ASSIGNMENTS				
When the project requires inspection, at a time other than regular working hours (7:30 A.M. to 4:00 P.M. Monday thru Friday), the charge for inspection shall be at the required overtime rate for the period being worked, using the hourly rate structure. The inspection fee for the project shall be based upon the actual total of overtime hours worked.			\$30 to \$90/Hr	
ADMINISTRATIVE PROCESSING CHARGE			\$15.00 each permit.	Could not compare See page 6 in Part 1 for variations by other cities.

Questionnaire	Cincinnati	Survey
6. Continued		
C. Other Charges--Continued		
ADDITIONAL CHARGES		
There will be an additional fee charged per day for each day the work covered by the permit extends beyond the expiration date of the permit. The permit time can be extended only with good cause, as approved by the City Engineer.	\$10.00 per day per permit	Not stated
The fees for permits for work started, without securing the proper permits in advance, will be three (3) times the amounts listed in this schedule of charges, excluding emergency work. The triple fees will only apply to the non-reimbursable portion of the permit fee.	Triple permit fees	Not stated
CANCELLATION FEE		
Permits cancelled by the applicant after they have been processed and before they are issued to Construction.	\$10.00 each permit Admin.Process Fee	Not stated
Permits issued to Construction. Field verification is required.	\$10.00 each permit Admin.Process Fee+ \$30 Min.Insp.Fee	Not stated
D. Degradation: 7 cities charge. Although not indicated on the survey. Cincinnati has the following fees for newly constructed or resurfaced streets:		
Any newly constructed pavements or those newly resurfaced under State, County, or City auspices shall be restricted from openings in pavement for a period of 3 years from the date of the final inspection by the City of Cincinnati inspection personnel, as covered by Section 721-39 of the Cincinnati Municipal Code.		5 years no cut policy
Any City street which has a street condition rating of eighty (80%) percent or higher will require special restoration of the pavement and curbs, as determined by the City Engineer. If the restoration of the pavement maintains a good riding profile, a slurry seal of the entire street will be required. If the riding profile will be adversely affected, the two (2) inch wearing surface will be repaved for the entire limits of the work.		
In case of an emergency and when special permission is granted by the City Engineer, a permit may be issued for an opening in a restricted pavement. The size of restoration shall be determined by the Public Works Inspector regardless of the size of the opening made by the Permittee or Contractor.		See page 5 of report for 6 different approaches and charges for degradation.
An additional non-refundable charge shall be made on a sliding scale and shall be ten (10%) percent of the regular inspection charge for each remaining month or fraction thereof of the three (3) year restricted period. For example, if the pavement is thirty-one (31) months old when the opening is made, the additional charge will be fifty (50%) percent over the regular charge. If the pavement is nine (9) months old when the opening is made, the additional charge will be 270% over the regular charge.		
In "Restricted Pavements" restoration to the nearest construction joint will be required for all Portland Cement Concrete pavements also, complete lane resurfacing of asphalt surfaced streets that are rated "Excellent" "Good" on the most recent Street Inventory Survey.		
In addition there is an administrative processing charge. See section on Administrative/Plan Review/Engineering.		

Questionnaire	Cincinnati	Survey
7. If item 6d above was checked, how was that portion of the fee structure determined?		
Research	---	X
Professional Judgment	---	5
Long Term Records	---	1
Did Not State	X	1
8. Are you satisfied with your permit system for street openings and with the fee structure now in use? The City indicated it does not completely cover costs and consequential pavement degradation.	No	No - 8
9a. Does your city award franchises or licenses to public utilities (including telecommunication companies) authorizing the installation of facilities in city streets?	Yes	Yes - 19
9b. Are fees charged for the insurances of such franchises or licenses? As in Cincinnati, the 18 cities, except for one, that stated fees were charged, the survey did not indicate whether fees were charged for all franchises and licenses, or whether some were exempt depending on franchise agreement.	Yes	Yes - 18
9c. Please provide a copy of a sample of an executed franchise or license agreement. Cincinnati's Telecommunication fee 1% of gross revenue with rate phased in over a 3-year period beginning with 3% the first year, 4% the second year and 5% the third year and thereafter. At the 5% rate, the minimum to be paid is \$5,000. No reference was given as to whether this fee is for some or all utilities or only to telecommunication.	Yes	Yes - 8 See pages 7 & 8 in Part I for variations of fee by other cities.
10a. Does your city issue Street Use Permits for non-franchised, utility companies (including telecommunication companies) for installation of facilities in city streets?	Yes	Yes - 15
10b. Are fees charged for such permits?	Yes	Yes - 15
10c. How are fees determined? The City of Cincinnati charges \$10 per linear foot, which is an arbitrary amount.		See page 8, Part I for comparison of other cities
11a. Does your city issue abutting property owners or businesses a Street Use Permit for installing telecommunications facilities or other utilities with city streets?		
11b. Are fees charged for such permits?	Yes	Yes - 13
11c. Please provide a copy of such permit.	Yes	Yes - 13
The City has a revocable street crossing permit with an annual fee of \$500 the first year and \$100 per year thereafter. The fee for a street opening permit depends on the size of the excavation..	Yes	Yes - 8 See Part I for comparison of other cities
12. Has your city considered seriously the feasibility of installing city-owned conduit banks within city streets, which could then be leased to private utility and/or telecommunications companies, or property owners so that their facilities could be installed at minimum cost and minimum damage to the street. The four cities who considered took no further actions.	No	No - 16
13. Does your city require permits from utility companies or city agencies for the installation of wood or metal utility poles within the street right-of-way.	Yes	Yes - 12
14. If yes, are fees charged for the permits?	Yes	Yes - 10

Part III Conclusions, Suggestions and Recommendations

The City of Cincinnati's practices, procedures and fee structure are similar in many ways to the majority of the responding cities but there are differences. The differences are unique from City to City in both procedures and fees. Cincinnati's procedures, permits and fees are presented in the Street Restoration Book, dated January 1, 1994.

The City of Cincinnati and all 20 respondents require permits for all street openings with three responding cities exempting only public owned utilities. All 21 cities charge permit fees issued to private/investor owned utilities or other individuals, companies or contractors. Seven of the 20 respondents do not charge fees to public owned utilities. Thirteen of the cities as well as Cincinnati have exceptions of permit fees when the work is being done by the City's public works department, city utilities or other government agencies. This policy should continue.

The permit system and charging of fees for permits to all others should continue. A monitoring system, if not presently in place, should be instituted to evaluate all permittees by name as to the quality and durability of all restorations. When the City makes final restoration, the evaluation should be based on settlement of the backfill. When the Permittee does all restoration, the evaluation should be based on both settlement of backfill and appearances and durability of the final surface. The cost of maintaining the program should be included in the cost of the permit.

The fees and charges by the City of Cincinnati for the permit cover the processing and inspection costs as they do for the majority of the cities. There are four specific areas covered:

- A. Deposit of Security for Payment (Restoration Costs)
- B. Permit (Inspection, Administrative Processing Charge and Street Opening Fee)
- C. Restricted Pavements (Newly constructed, or condition rating of 80%)
- D. Guarantee (Including Hold Harmless Clause)

A. Deposit of Security for Payment (Restoration Costs)

This deposit of security for payment is to ensure the proper restoration of city property. The deposit may be cash, a bond or it may be waived if the contractor maintains a running account in good standing with City. This is refundable upon completion and acceptance of the job, and therefore is not really a part of the permit fee.

The methods used to determine the deposit or the waivers of this deposit as shown in question 5 of Part II are valid and appear to cover most contingencies.

The estimated restoration charges are covered in question 6, Part II. Three (3) cities do all final restoration and also include cost in their permit fees. The restoration charges by the City of Cincinnati are consistently higher than those charged by the other cities. This is not to be construed as the City's charges are too high or the other three cities' charges are too low. The City's restoration charges are applicable only rarely, in the event of default or failure to perform by the Permittee.

TABLE III – 1
TYPICAL STREET RESTORATION FEE COMPARISONS

<u>Pavement Size/Type</u>	<u>Cincinnati</u>	<u>Charlotte</u>	<u>El Paso</u>	<u>Omaha</u>
4 SY PC Concrete	\$800.00	\$700.00/Min.	NA	\$446.48
15 SY PC Concrete	800.00	951.15	NA	1194.92
50 SY PC Concrete	4525.00	3170.50	NA	3576.32
2 SY Asphalt	495.00	90.20	130.00*	294.46
12 SY Asphalt	495.00	541.20	780.00*	1109.86
50 SY Asphalt	4395.00	2255.00	2750.00*	3963.76

The above costs reflect pavement installation only. The cities of Cincinnati and El Paso only do surface restoration when work is not completed by the Permittee. The City of Charlotte does all final restoration while the City of Omaha does all final restoration up to 100 SY.

*This is for surface asphalt and includes a concrete base.

Recommendation

The cost figures for restoration should be reviewed annually to bi-annually to determine actual costs and adjust if necessary.

B. Inspection, Administrative Processing Charge and Street Opening Permit Fee

There are three (3) separate charges which are not refundable which compose the basic Street Opening Permit Fee.

1. *Inspection.* For pavement there is a \$35.00 flat fee plus \$3.00/SY for all openings over 2 SY.

These inspection costs are noted in question 6 under Surface Restoration, where the Permittee does all final restoration. The City of Cincinnati's fees appear to be within some of the ranges of other responding cities.

2. *Administrative Processing Fee.* This is a flat \$15.00 fee.
3. *Excavation/Street Opening.* This is a \$10.00 flat charge plus \$1.00/SY. This fee is assessed to compensate for the loss of integrity of street pavements. This fee is charged for all pavements regardless of age and is used as partial funding support for the street restoration program as determined by the City Engineer.

This fee is within the boundaries of fees charged by other cities. However, comparisons cannot be made as no explanation was given as to the various amounts of the fee.

4. *Restricted Pavement Charge*

In addition to the above, there is an additional charge made for a permit on pavement designated by the City Engineer as a Restricted Pavement based on its age (less than three years) or its condition (80% or higher). This also becomes a non-refundable component of the permit.

Recommendation

The total Street Opening Permit Fee is the total of these three or four components. Table III-2 shows a comparison of the Cincinnati Street Opening Permit Fees with other cities whose fee structures were comparable, for several typical combination of street opening area and pavement types.

In general, the Cincinnati Street Opening Permit Fees are generally lower than most other cities which reported similar permit fee structures. The typical charges for other cities, except for asphalt in Denver, ranged from two to five times higher than those of Cincinnati.

Based on current city salaries for technical positions, travel time and vehicle operating costs, the current Street Opening Permit Fee structure does not appear to cover all city costs involved in the procedure. It would appear entirely reasonable to increase these charges to approximately the average levels of the other cities reporting in the survey.

Table III-2 shows a comparison of Cincinnati Street Opening Permit Fees with those of Denver, Indianapolis, and Oklahoma City for three typical areas of street openings. Also included in the table are two examples of possible fee charges based on recommendations from the Cincinnati Infrastructure Institute, prepared by Dr. Arudi.

TABLE III - 2
FEE COMPARISONS

Fee Item	Cincinnati	Denver ¹	Indianapolis ²	Oklahoma City ³	Cincinnati Infrastructure Institute ⁴	
	4 SY	PC Concrete			Var A	Var B
Inspection	\$ 41.00	\$ 50.00/Min.	----	----	\$51	
Adm. Processing	15.00	----	\$100.00/Wk.	----	54	
Street Opening	<u>14.00</u>	<u>150.00/Min.</u>	<u>75.00/Min.</u>	<u>137.50</u>	<u>70</u>	<u>140</u>
Total	\$ 70.00	\$200.00	\$175.00	\$137.50	175	215
	15 SY	PC Concrete				
Inspection	\$ 74.00	\$50.00/Min.	----	----	\$79	
Adm. Processing	15.00	----	\$100.00/Wk.	----	66	
Street Opening	<u>25.00</u>	<u>\$150.00/Min.</u>	<u>94.50</u>	<u>\$440.00</u>	<u>200</u>	<u>385</u>
Total	\$114.00	\$200.00	\$194.50	\$440.00	345	730
	50 SY	PC Concrete				
Inspection	\$179.00	\$157.00	----	----	\$167	
Adm. Processing	15.00	----	\$100.00/Wk.	----	90	
Street Opening	<u>60.00</u>	<u>\$150.00/Min.</u>	<u>\$315.00</u>	<u>\$1402.50</u>	<u>610</u>	<u>1160</u>
Total	\$254.00	\$307.00	\$415.00	\$1402.50	867	2027
	2 SY	Asphalt				
Inspection	\$35.00	\$ 50.00/Min.	----	----	\$46	
Adm. Processing	15.00	----	\$100.00/Wk.	----	54	
Street Opening	<u>12.00</u>	<u>50.00/Min</u>	<u>75.00/Min.</u>	<u>\$ 82.50</u>	<u>50</u>	<u>110</u>
Total	\$ 62.00	\$100.00	\$175.00	\$ 82.50	150	210
	12 SY	Asphalt				
Inspection	\$ 65.00	\$ 50.00/Min.	----	x	\$71	
Adm. Processing	15.00	----	\$100.00/Wk.	x	66	
Street Opening	<u>25.00</u>	<u>\$ 50.00/Min.</u>	<u>75.60</u>	<u>\$357.50</u>	<u>170</u>	<u>340</u>
Total	\$105.00	\$100.00	\$175.60	\$357.50	\$307	647
	50 SY	Asphalt				
Inspection	\$179.00	\$157.00	----	x	\$167	
Adm. Processing	15.00	----	\$100.00/Wk.	x	90	
Street Opening	<u>60.00</u>	<u>\$50.00/Min.</u>	<u>\$315.00</u>	<u>\$1402.50</u>	<u>610</u>	<u>1160</u>
Total	\$254.00	\$207.00	\$415.00	\$1402.50	\$867	2027

¹ Includes Administrative Fee.

² Fee is based on anticipated cost of reduction in useful life of pavement. Street Opening Fee is for Class I streets (constructed or resurfaced with asphalt within 5 years or constructed with concrete within 15 years). Adm. processing is for ROW use permit.

³ Street Opening Fee covers cost of processing and inspection.

⁴ These are two variations of a current draft proposal being considered by the City of Cincinnati, and prepared by the Cincinnati Infrastructure Institute.

Comparing the draft plan prepared by the Cincinnati Infrastructure Institute, the total permit fees would approximate the average levels of the other cities, when comparisons were based on using minimum suggested charges (Variation A) of \$10/SY for pavement preservation and \$20/day for traffic delay costs for Type 5 streets.

When the higher costs of \$15 for pavement preservation and \$80 for traffic delayed costs for Type 1 roadways are used (Variation B), the total fees increase dramatically resulting in the fees being two to three times higher than those of other cities.

There are several factors which affect the amount of impact on traffic delays, some more than the number of days involved, such as the area and location of the opening and the traffic volumes involved. The consultants believe that the C.I.I. proposal places too much weight on the number of days involved.

The consultants recommend that consideration be given to substantially increasing total Street Opening Permit Fees. The consultants further recommend that consideration be given to using the proposed draft plan as submitted by the Cincinnati Infrastructure Institute except for the traffic delay costs which should have a maximum cost of \$40/Day for Class I streets. This increase would probably have to be implemented incrementally over a period of several years, since a single increase of this magnitude would probably not be acceptable from a community relations standpoint.

C. Restricted Pavements

The City of Cincinnati has a pavement restriction cutting policy of 3 years for new pavement. This compares favorably with many of the other cities although some are now increasing the number of years up to 5 years.

This fee is based upon the restoration charges noted in Deposit of Security for Pavement. The actual fee is based upon the remaining months of the 3 year non-cut policy. For example, if a pavement is 1 year old, the fee would be 24/36 of the deposit.

This appears to be a reasonable approach if the restoration charges are accurate.

Recommendation

The present 3-year policy should be reviewed to determine if the restriction policy is sufficient or should be increased.

D. Guarantee

The City of Cincinnati did not show a specific amount required by the Permittee but does require the Permittee to defend, indemnify and hold harmless the City and its appointed agents.

A public liability and property insurance was required in an ordinance for a long distance phone company. The amount required was consistent with the amount required by other cities in the survey. The amount required by other cities was dependent upon the purpose of the survey.

Recommendation

If this insurance is required by the City of Cincinnati, it should be included as part of the permits. If this is a requirement, it should be included in the Rules & Regulations for street openings.

E. General Recommendations

The Street Restoration Book, dated February 1, 1994 covers a wide range of scenarios, as well as many elements of the various deposit and permit fees required. However, the text in Part IV Final Restoration (page 32) and Part V Fees and Charges (pages 41-44) do not relate well to the Schedule of Charges (pages 60-63), and to the Street Opening Permit Application form (pages 46 and 47).

The Street Restoration Book has been used since 1994. Appropriate city personnel, and most applicants, who are primarily local contractors and utilities, are familiar with the procedures. However, for someone unfamiliar with the process, the following questions might be raised:

1. Chapter 5, Part I Deposit or Security for Payment. This section does not clearly identify anywhere that the charges referred to are refundable to (or credited to the account of) the permittee based on satisfactory performance of the restorations. Neither the title of the section, nor the text make any reference to the Schedule of Charges on which the deposit is based.
2. The actual Permit Charges (non-refundable) which include Inspection Charges, Administrative Processing Charges, Street Opening Fee, and in some cases the Restricted Pavement Charges, are "buried" behind the restoration cost estimate schedule, or in the case of Restricted Pavements are given only in the text.

3. The Restricted Pavements section is itself confusing. Is a city street with pavement older than 3 years, but with a street condition of 80% by definition a Restricted Pavement? Do the same restoration procedures described in the second paragraph apply to newly constructed or newly resurfaced streets as described in the first paragraph? The non-refundable extra charge is not provided for in the otherwise excellent application form, nor is it identified in the Schedule of Charges.
4. The Street Opening Permit Application is generally well designed and laid out. However, it makes no provision for the Restricted Pavement Charge, and does not differentiate between the refundable and non-refundable components of the total permit charges.
5. The fee structure could be simplified by combining categories with identical or similar charges, in a way which would be "revenue neutral".

Recommendation

Changes to resolve the above areas of confusion would be simple to accomplish, and would aid in public and "consumer" understanding, without reference to any changes in the fee or deposit charges. These changes are recommended.

Part IV Telecommunications Overview

Of the 20 responding cities, five sent specific information regarding telecommunication franchises/licenses. See Table IV-1 for specific details of fees by these five cities. This is not to infer the other communities do not charge fees or have policies or procedures regarding telecommunications, but only those five (Albuquerque, Columbus, Newark, Oklahoma City, and Phoenix) sent specific information.

Columbus, in addition to a specific telecommunication license, and Albuquerque provided information on general fees and conditions.

From Table IV-1, it is apparent there are similarities associated with telecommunication companies' franchises/licenses. All require liability insurance, an application fee and/or a performance bond. All charge an annual fee with the majority of the fees being based on a percentage of the annual gross revenues of the telecommunication companies.

It should be noted that the "specific" franchise referred to in the tabulation was for a cable antenna television system or systems. The extent of underground cable within the street right-of-way is not clear. However, it is assumed that a franchise awarded under this legislation is intended primarily as a revenue generator, rather than as a right-of-way use control.

Three of the cities (Albuquerque, Columbus, and Newark) require application fees. All except Newark base annual fees on a percentage of gross revenues, ranging from 3% to 5%. Newark's annual fees are based on a sliding scale. All five cities have street opening fees which are apparently applied to the cable installation itself.

Other considerations which were typical in the licenses and fees were:

- Telecommunications must be underground where utilities are underground.
- Use of joint agreements with other utilities to use their facilities where possible with no expense to the City.
- A telecommunication company is not exempt from other fees which are applicable for construction in right-of-way.

Since these five cities represent several different areas of the country and since their fees and conditions are similar or fall within close ranges, the assumption can be made. The same criteria likely applies to many other franchises/licenses between cities and telecommunication companies.

**Table IV-1
Telecommunication Fees**

<u>City</u>	<u>Application Fee</u>	<u>Liability Insurance</u>	<u>Performance Bond</u>	<u>Annual Fee</u>
Albuquerque (General)	\$2,500	\$1 Million	\$1.50/LF not to exceed \$30,000 annually	3% of gross revenues
Columbus (Specific)	\$ 75,000	\$5 Million	\$50,000	5% of gross revenues
Columbus (General)	\$ 1,000	Not stated but waived if net book value exceeds \$10 Million	Not stated	\$10,000 first mile Plus \$7,500 for 1 to 10 miles Plus \$20,000 for 10 to 100 miles Plus \$62,500 for 100 to 500 miles Plus \$100,000 for all over 500 miles. Special ROW permits are \$2/LF
Newark	\$ 15,000	\$15 Million	Not stated	Over 10,000 LF: \$5,000 plus \$2.50/LF Under 10,000 LF: \$15,000 flat or \$5,000 plus \$2.50/LF whichever is greater.
Oklahoma City	None	\$1 Million	\$100,000	3% of gross revenue first year 4% next 6 years 5% thereafter.
Phoenix	None	\$1 Million	\$250,000	\$5,000 or 3% of gross revenue, whichever is greater.

The ordinance passed by the Cincinnati City Council in 1999, authorizing Williams Communication, Inc. to install a telecommunications system followed the above general pattern with an annual fee starting at 3%, and increasing to 5% after two years, with a \$5,000 per year minimum. Street opening fees for construction work are also applied.

This report does not include two issues of telecommunication which should be addressed:

1. Requests to install revenue generating communication systems in areas such as the Central Business District where most or, in some cases, all of existing right-of-way is occupied by numerous utilities.
2. Requests by private companies to install private communication systems between buildings that are not revenue generating systems but encroach or cross public right-of-way.

Policies should be adopted to cover these requests and should include such issues as public liability, holding the City harmless as well as refusal for installation.

Part V Summary of Recommendation

Although recommendations are given in Part III, they are included with the conclusions and suggestions at each specific area. This summary provides immediate access to each recommendation without lengthy review of Part III.

Following are the recommendations for the four specific areas and a general recommendation.

A. Deposit of Security for Payment (Restoration Costs)

The cost figures for pavement restoration, if not reviewed recently, should be reviewed within a year and thereafter, annually to bi-annually to determine actual costs and adjust if necessary.

B. Inspection, Administrative Processing Charge and Street Opening Permit Fee

The consultants recommend that consideration be given to substantially increasing total Street Opening Permit Fees. The consultants further recommend that consideration be given to using the proposed draft plan as submitted by the Cincinnati Infrastructure Institute except for the traffic delay costs, which should have a maximum cost of \$40/Day for Class I streets. This increase would probably have to be implemented incrementally over a period of several years, since a single increase of this magnitude would probably not be acceptable from a community relations standpoint.

C. Restricted Pavements (Calling new pavement)

The present 3-year policy should be reviewed to determine if the restriction policy is sufficient or should be increased.

D. Guarantee

If public liability and property insurance is required by the City of Cincinnati, it should be included as part of the permit. If this is a requirement, it should be included in the Rules and Regulations for Street Openings.

E. General Recommendations

The Street Restoration Book, dated February 1, 1994 covers a wide range of scenarios, as well as many elements of the various deposit and permit fees required. However, the text in Part IV Final Restoration (page 32) and Part V Fees and Charges (pages 41-44) do not relate well to the Schedule of Charges (pages 60-63), and to the Street Opening Permit Application form (pages 46 and 47).

The Street Restoration Book has been used since 1994. Appropriate city personnel, and most applicants, who are primarily local contractors and utilities, are familiar with the procedures. However, for someone unfamiliar with the process, the following questions might be raised.

1. Chapter 5, Part I Deposit or Security for Payment. This section does not clearly identify anywhere that the charges referred to are refundable to (or credited to the account of) the permittee based on satisfactory performance of the restorations. Neither the title of the section, nor the text make any reference to the Schedule of Charges on which the deposit is based.
2. The actual Permit Charges (non-refundable) which include Inspection Charges, Administrative Processing Charges, Street Opening Fee, and in some cases the Restricted Pavement Charges, are "buried" behind the restoration cost estimate schedule, or in the case of Restricted Pavements are given only in the text.
3. The Restricted Pavements section is itself confusing. Is a city street with pavement older than 3 years, but with a street condition of 80% by definition a Restricted Pavement? Do the same restoration procedures described in the second paragraph apply to newly constructed or newly resurfaced streets as described in the first paragraph? The non-refundable extra charge is not provided for in the otherwise excellent application form, nor is it identified in the Schedule of Charges.
4. The Street Opening Permit Application is generally well designed and laid out. However, it makes no provision for the Restricted Pavement Charge, and does not differentiate between the refundable and non-refundable components of the total permit charges.
5. The fee structure could be simplified by combining categories with identical or similar charges, in a way which would be "revenue neutral".

Recommendation

Changes to resolve the above areas of confusion would be simple to accomplish, and would aid in public and "consumer" understanding, without reference to any changes in the fee or deposit charges. These changes are recommended.

Appendix A Questionnaire

City Street and Sidewalk Opening Permits and Fees
City of Cincinnati
Questionnaire

Responding City _____

Definition: Under the Cincinnati Municipal Code, and for purposes of this survey, a street opening consists of any construction, maintenance, repair, replacement, or modification work which involves "opening" or breaching the surface of a roadway, driveway, sidewalk, other paved and/or unpaved area within the right-of-way of a public street.

Questionnaire:

1. Does your city require a contractor or other person or agency to obtain a city permit before performing any type of construction or maintenance work which involves a street opening? ☐ Yes ☐ No
2. If yes, does your city require employees or contractors of recognized privately owned public utilities (electric, gas, water, sewers, telephone, etc.) to obtain such permits?
Publicly Owned? ☐ Yes ☐ No
Privately or Investor Owned? ☐ Yes ☐ No
3. Are fees charged for such permits issued to:
Publicly Owned Utilities? ☐ Yes ☐ No
Private or Investor Owned Utilities? ☐ Yes ☐ No
Other Individuals, Companies, or Contractors? ☐ Yes ☐ No
- 4.. Are there any types of street openings for which no fee is charged? ☐ Yes ☐ No
If so, what type(s) _____
5. Will you provide us with a copy of your Rules & Regulations and fee structure? ☐ Yes
☐ Not Available ☐ Faxed If yes, is it enclosed? ☐ Yes Or ☐ Mailed separately
Or ☐ E-mailed
6. Is your fee structure based on: (*Check more than one if appropriate*)
☐ a. Covering costs of processing?
☐ b. Covering inspection costs?
☐ c. Covering cost of correcting unsatisfactory work?
☐ d. Anticipated cost of reduction in useful life of pavement?
☐ e. None of the above (please explain briefly)? _____

7. If item 6 d. above was checked, how was that portion of the fee structure determined?
☐ Research?
☐ Professional judgment?
☐ Long-term records?
☐ Other _____

Note: The City of Cincinnati has available, upon request, a research study performed by the University of Cincinnati which suggests a procedure for incorporating such costs into a fee structure.

8. Are you satisfied with your existing permit system for street openings, and with the fee structure now in use? ☐ Yes ☐ No
Comments: _____
9. a. Does your city award franchises or licenses to public utilities, (including telecommunications companies) authorizing the installation of facilities in city streets? ☐ Yes ☐ No
b. Are fees charged for the issuance of such franchises or licenses? ☐ Yes ☐ No

- c. Please provide a copy of a sample of an executed franchise or license agreement, if available. ☐ Yes ☐ Not Available
- 10a. Does your city issue Street Use Permits for non-franchised, utility companies (including, telecommunications companies) for installation of facilities in city streets? ☐ Yes ☐ No
- b. Are fees charged for such permits ☐ Yes ☐ No
- c. If "Yes", how are the fees determined? _____
- d. Please provide a sample of such a permit, if available. ☐ Yes ☐ Not Available
- 11a. Does your city issue abutting property owners or businesses a Street Use Permit for installing telecommunications facilities or other utilities within city street? ☐ Yes ☐ No
- b. Are fees charged for such permits? ☐ Yes ☐ No
- c. Please provide a copy of such a permit, if available. ☐ Yes ☐ Not Available
12. Has your city considered seriously the feasibility of installing city-owned conduit banks within city streets, which could then be leased to private utility and/or telecommunications companies, or property owners so that their facilities could be installed at minimum cost and minimum damage to the street? ☐ Yes ☐ No
- If yes, can you provide us with any information on how this system works? ☐ Yes ☐ Not Available ☐ Not Applicable
13. Does your city require permits from utility companies or city agencies for the installation of wood or metal utility poles within the street right-of-way? ☐ Yes ☐ No
14. If yes, are fees charged for such permits? ☐ Yes ☐ No
15. Will you provide us with a copy of the Rules and Regulations and Fee structure for such permits? ☐ Yes ☐ No
- Would you like to receive a copy of the final report on this study? ☐ Yes ☐ No
- If we need clarification or more information on any of these questions, would you be willing to discuss them by telephone? ☐ Yes ☐ No

Contact Person _____ Title _____ Date _____

Address _____

Telephone _____

Please return this survey form and other available material directly to:

T. E. Young, Project Coordinator
Pflum, Klausmeier & Gehrum Consultants, Inc.
5533 Fair Lane
Cincinnati, Ohio 45227

Appendix B

Names and Addresses of Respondents to Questionnaire

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Names and Addresses
of
Respondents to Questionnaire

Mr. Joe Luchring
Construction Coordinator
Public Works Department
City of Albuquerque
P. O. Box 1293
Albuquerque, NM 87103
505-768-3623

Mr. Dennis Perkins, P.E.
City of Columbus
Engineering & Construction Division, 3rd Fl.
109 North Front Street
Columbus, OH 43215
614-645-7348

Mr. Busher Abugalyon, P.E.
City of El Paso
2 Civic Center Plaza
El Paso, TX 79901
915-541-4301

Mr. Robert Gowan
Policy Advisor
City of Nashville
107 Metro Court House
Nashville, TN 37201
615-862-6000

Mr. Howard Lazarus, Director
Department of Engineering, Room 420
City of Newark
920 Broad Street
Newark, NJ 07102
973-733-8520

Mr. Paul Bronson
Business Manager
City of Oklahoma City
420 Main Street
Suite 700
Oklahoma City, OK 73107
405-297-2123

Mr. Jeff Van Skike
Engineering Supervisor
Street Transportation Dept.
City of Phoenix
200 W. Washington Street
Phoenix, AZ 85003
602-256-4335

Mr. Larry Johnson
Asst. Director
Maintenance & Operations
City of Charlotte
1000 Otis Street
Charlotte, NC 28205
704-336-3141

Mr. Rob Dynganson, ROW Eng.
City of Denver
200 W. 14th Avenue
Denver, CO 80204
303-640-5421

Ms. Maria J. Brickley
Senior Coordinator
City of Indianapolis
200 E. Washington Street, Suite 2160
Indianapolis, IN 46204
317-327-4415

Ms. Renee Layerdine
Facility Engineer
Department of Public Works
Maintenance Division
City of New Orleans
838 South Gennis Street
New Orleans, LA 70118
504-483-2080

Mr. John Keifer
Director of Public Works
City of Norfolk
7th Floor, City Hall
Norfolk, VA 23510
757-664-4614

Mr. Mike DeSelm, Engineer
City of Omaha
5225 Dayton Street
Omaha, NE 68117
402-444-4940

Mr. James Suelmann, Director
City of St. Louis
1900 Hampton
St. Louis, MO 63139
314-647-3111

Mr. Thomas Kuhfeld
Assistant City Engineer
City of St. Paul
800 City Hall Annex
25 W. 4th Street
St. Paul, MN 55102
651-266-6111

Mr. William M. Shambarger
Senior Professional Engineer
City of Toledo
One Government Center
Suite 1720
Toledo, OH 43604
419-245-1337

Mr. Al Henley
Inspections Coordinator
City of Virginia Beach
Dept. of Planning, Permit Inspections
Building #2
Virginia Beach, VA 23456
757-427-4558

Ms. Susan Robinson
Transportation Permit Coordinator
City of Tampa
Dept. of Public Works,
Transportation Division
306 E. Jackson Street
4th Floor East
Tampa, FL 33602
813-274-8027

Mr. Bruce Hunt, R.L.S.
Senior Engineer Associate
City of Tucson
201 North Stone Avenue
4th Floor
Tucson, AZ 85701
520-791-5100, Ext. 448

Mr. Michael Lindebak
City Engineer
City of Wichita
455 N. Main
Wichita, KS 67212
316-268-4266